St. George

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Chairman Ajit Pai Commissioner Mignon Clyburn Commissioner Michael O'Rielly Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, DC 20554

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Dear Chairman Pai and FCC Commissioners:

Thank you for your support of the Rural Health Care Program. As you recognized in a recent Senate Commerce Committee FCC Oversight hearing, broadband telemedicine is a critical component of addressing the health care needs of Alaskans.

Telemedicine has allowed us to dramatically improve access to care, accelerate diagnosis and treatment, avoid unnecessary medivacs and expand local treatment options. It has also helped reduce Medicaid costs.

Typically, community health aides and practitioners in our village clinics use telehealth to consult with family physicians at the Alaska Native Medical Center in Anchorage, Alaska, when they have to make decisions about the diagnosis, treatment planning, or urgency of a case. We also use telehealth to follow up on patients with medical conditions or trauma. Nurses and nurse practitioners also use telehealth extensively.

Telehealth is also used to access specialty care services, ranging from psychiatry to radiology. Behavioral health aides and dental health aide therapists, along with community health aides and practitioners, are trained during their formal coursework to use telehealth. Access to these services through Telemedicine is extremely critical to provide quality care to our patients given the remoteness and logistical challenges we face.

However, the current \$400 million Rural Health Care Universal Service Support budget remains at the initial level set in 1997, despite inflation, advances in technology, and increased demand for services. The Universal Service Administrative Co. also recently announced that it exceeded the funding cap for the current 2016 fiscal year ending June 30, 2017. Applicants that filed during the Sept. 1 – Nov. 30, 2016 filing window will receive a pro-rated percentage, 92.5 percent, of the qualifying funding requested. In our case, that means we will be responsible for paying an additional \$216,060, which we did not budget or anticipate, in addition to the portion of the cost of services that we are already responsible for paying under the rules of the rural health care support mechanism.

This financial burden would translate into a reduction of direct care services and layoffs. We ask that you take steps to ensure both the near and long-term viability of the Rural Health Care Program to meet the increased demand for telemedicine services both in Alaska and across the country. We believe that the FCC should increase the budget for the rural health care support mechanisms to reflect inflation over the past two decades, as well as increased technology and telecommunications demands due to our HIPAA legal obligations, advances in telemedicine capabilities, changes in patient expectations and standards of care, and new demands from skilled nursing facilities.

In addition, please consider implementing an inflation adjustment mechanism for the future, and short-term measures to restore qualifying funding requests filed Sept. 1 - Nov. 30, 2016 to 100%.

Thank you for your support of this important program.

Dimitri Philemonof, President/CEO

CC:

The Honorable Senator Murkowski The Honorable Senator Sullivan The Honorable Congressman Young